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**Announcement Concerning Differences between Consolidated Financial Results  
for the First Half of Fiscal 2016 and the Previous Forecasts**

Nippon Steel & Sumitomo Metal Corporation (“the Company”) hereby reports the difference between the actual financial results for the first half of fiscal 2016 and the previous forecasts which were released on July 28, 2016.

**1. Differences between the actual financial results for the first half of fiscal 2016 (April 1, 2016 - September 30, 2016)  
and the previous forecasts**

(Millions of yen, except per share figures)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Earnings per share (¥)
Previous forecasts (Data released on July 28, 2016) (A)	2,200,000	—	15,000	0	0.00
Actual for the first half of fiscal 2016 (B)	2,160,793	17,830	28,013	11,009	12.41
Change (B–A)	(39,207)	—	13,013	11,009	
% change	(1.8)	—	86.8	—	
(For reference) Actual for the first half of fiscal 2015	2,507,562	98,380	129,848	120,117	131.23

**2. Reasons for the Differences**

Though production and shipment fell short of the forecasts mainly due to bad weather, the Company’s actual profit for the first half of fiscal 2016 increased mainly due to the improvement of subsidiaries and affiliates’ earnings compared with the financial forecasts previously released on July 28, 2016.

Note: The Company carried out the share consolidation at the ratio of 10 shares to 1 share effective October 1, 2015. In accordance with it, earnings per share are calculated based on the assumption that the share consolidation had been carried out at the beginning of the previous fiscal year.